

## SMOKER CRAFT, INC.

## America's First Family of Boats

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Yvonne Eash

P.O. Box 127

Chairman of the Board

Topeka Town Council

124 East Lake Street

Topeka, IN 46571

WARN NOTICE RECEIVED

APR - 2 2009

DISLOCATED WORKER UNIT

To: Jennifer Long

Indiana Department of Workforce Development

10 North Senate Avenue Indianapolis, IN 46204 Email: <u>jlong@dwd.in.gov</u> Fax No. (317) 233-6081

Smoker Craft, Inc.

68143 Clunette Street New Paris, IN 46553

Date: March 30, 2009

The dramatic downturn in the economy in 2008 and its continuance in 2009 has significantly affected Smoker Craft's operations and sales as well as the operations of our dealers. Sales numbers are considerably lower than expected, which indicates the magnitude of the situation for the recreational boating industry.

One of the facilities affected by this situation is our Topeka facility located at 201 Starcraft Drive, Topeka, IN 46571. We started some limited reductions in the workforce due to the relocation and consolidation of business from our Topeka facility to our New Paris facility (located at 68143 Clunette Street, New Paris, IN, 46553) back on July 25, 2008. Following the completion of the relocation and consolidation of work from the Topeka facility to the New Paris facility, all production operations ceased at the Topeka facility and the entire Topeka facility was closed with respect to production operations.

Despite the severe downturn in the economy and the effect of that downturn on sales in the recreational boat industry, we have worked diligently to avoid hardships on our employees. However, we were required to further reduce several employees in the workforce due to the worsening economy starting December 5, 2008 at the Topeka facility.

Unfortunately, we do not expect a significant turnaround in the economy anytime soon and, due to the worsening economy, we have had to make further reductions. In view of the worsening economy, this notice is being sent, as a precautionary matter, to advise your office of the fact that we are notifying our laid off employees that we do not expect that the economy will turnaround in our industry anytime soon. Accordingly, we are sending 60-day advance notices to our laid off employees that we do not expect to be able to re-hire them with full seniority within 6 months of their layoff dates. Therefore, we are also notifying your office that the timeframe within which those employee have the potential to be re-hired with full seniority will expire and lapse, under the provisions of our employee handbook. With respect to the Topeka facility, the number of affected employees, affected job titles, and other information relating to this matter are indicated on the attached Appendix which is made a part of this notice. We believe that this action will be permanent in nature. None of the affected employees have bumping or transfer rights and there is no union representative of the affected employees.

However, should the economy improve and sufficient orders begin to come in, we may begin hiring again. If so, for a period of 3 months after the affected employees' full seniority re-hire opportunity expiration date (or quit date), we are providing affected employees with preferential re-hire opportunities for any suitable positions for which Smoker Craft is hiring (over applicants who have no prior employment history with Smoker Craft). Any former employee who is re-hired after his/her termination of seniority date will have his/her seniority start over (as a new employee) on the first day of any such new employment.

For further information regarding these matters please contact Peggy Cronin, Corporate Human Resource Director at (574) 831-2103.

## APPENDIX - TOPEKA FACILITY

Job Titles Of Affected Positions	No. of Affected Employees	Date of Initial Layoff	Date of Termination Of Seniority
Fiberglass R&D Worker Purchasing Agent Fiberglass Lamination Department Worker Fiberglass Lamination Department Worker Fiberglass Lamination Department Worker Paint Department Worker Shipping Department Worker Quality Control Inspector Fiberglass Final Finish Department Worker Fiberglass Final Finish Department Worker	1 1 1 1	12/5/2008 12/5/2008 12/19/2008 12/19/2008 12/19/2008 12/19/2008 12/24/2008 12/31/2008 12/31/2008 1/14/2009	6/5/2009 12/16/2008 * 12/19/2008 * 6/19/2009 3/25/2009 * 6/19/2009 6/24/2009 3/6/2009 * 7/1/2009 7/15/2009
Total Number of Affected Employees	25		

<sup>\*</sup> These individuals voluntarily quit prior to their termination of seniority date.